

## EMPLOYEES' RETIREMENT SYSTEM OF THE COUNTY OF MILWAUKEE

### MINUTES OF THE MAY 21, 2008 PENSION BOARD MEETING

#### 1. Call to Order

Vice Chairman Mr. Thomas Weber, acting as Chairman, called the meeting to order at 8:35 a.m. in the Green Room of the Marcus Center, 127 East State Street, Milwaukee, Wisconsin 53202.

#### 2. Roll Call

##### Members Present:

Linda Bedford  
Donald Cohen  
Roy Felber  
Jeffrey Mawicke  
Marilyn Mayr  
John Parish  
Dr. Sarah Peck  
Thomas Weber (Vice Chairman)

##### Members Excused:

Dr. Dean Roepke (Chairman)

##### Others Present:

David Arena, Director of Employee Benefits, Department of Administrative Services  
William Domina, Corporation Counsel  
Mark Grady, Principal Assistant Corporation Counsel  
Gerald J. Schroeder, Interim ERS Manager  
Vivian Aikin, ERS Administrative Specialist  
Sushil Pillai, V3 Project Manager  
Mickey Maier  
Steven Huff, Reinhart Boerner Van Deuren s.c.  
Leigh Riley, Foley & Lardner LLP  
Chris Trebatoski, Weiss Berzowski Brady LLP  
Terry Dennison, Mercer Investment Consulting  
Kristin Finney-Cooke, Mercer Investment Consulting  
Floyd Dukes, Artisan Partners Limited Partnership  
Irene Weber  
Linda Ramcyk, ERS member  
William Ramcyk, Spouse of ERS member  
Michael Elm, ERS member  
Ken Loeffel, Retiree  
Louis Metz, Retiree

Nancy Beck-Metz, Retiree  
Esther Hussey, Retiree  
Gloria Yelezyn, Retiree  
Yvonne Mahoney, Retiree  
Steve Schultze, *Milwaukee Journal Sentinel* Reporter

3. Chairman's Report

Mr. Weber acted as Chairman during Dr. Roepke's excused absence. Mr. Weber indicated that this will be his last meeting as a Pension Board member. He stated that the County Board Chairman appointed another person to the Pension Board. Mr. Weber requested that a luncheon not be held for him. Rather, he invited the Pension Board members and other attendees to his house for a buffet at 5 p.m. on September 17, 2008. Mr. Weber asked that Mr. Schroeder coordinate the number of guests. Mr. Weber pointed out that his wife, Irene Weber, is attending today's meeting. He commented that Mrs. Weber has helped him in fulfilling his Board duties.

**The Pension Board members unanimously expressed their heartfelt gratitude and appreciation to Thomas and Irene Weber for their invaluable contributions to the Pension Board and to the Employees' Retirement System of the County of Milwaukee with respect to Thomas Weber's exemplary service as a Pension Board member, Audit Committee member and Vice Chairman of the Pension Board. Motion by Ms. Mayr, seconded by Dr. Peck.**

(a) Report on IFEBP Investment Conference

Mr. Weber stated that Dr. Roepke attended the International Foundation of Employee Benefit Plans' investments conference. Mr. Weber indicated that Dr. Roepke gave the conference materials to Mr. Schroeder, who will make the materials available to all interested Pension Board members.

(b) Special Board Meeting on May 28, 2008

Mr. Weber stated that a Special Pension Board meeting will be held on May 28, 2008, to review the actuarial contribution report for purposes of making ERS's annual contribution request to Milwaukee County. He indicated that the meeting must have a quorum to be able to approve the contribution request. In response to a question from Ms. Mayr, Mr. Grady indicated that the special meeting materials will be distributed as soon as the materials are received from the actuary.

4. Minutes of the April 16, 2008 Pension Board Meeting

The Pension Board reviewed the minutes of the April 16, 2008 Pension Board meeting and held the minutes over for approval until the June Pension Board meeting.

5. Reports of Employee Benefits Director, Interim ERS Manager and Fiscal Officer

(a) Retirements Granted

Mr. Schroeder presented the Retirements Granted Report for April 2008. He reported that 32 retirements were granted in March, noting that 11 retirees elected a back DROP.

(b) ERS Monthly Activities Report

Mr. Schroeder reviewed the 2008 ERS Monthly Activities Report. He reported that ERS has paid out \$47,224,211 in benefits in 2008, which is in line with the benefits paid in 2007. He indicated that as of April 30, 2008, there were 7,362 retirees, of which 85% receive their benefits by direct deposit. He stated that the goal is to have at least 95% of retirees receive their benefit payments by direct deposit. He explained that letters are going to be sent to the 1,047 retirees who do not receive their benefits through direct deposit to encourage them to use direct deposit. He noted that 21,851 retiree checks have been reconciled, which means that the Retirement Office verified that the benefit amounts are correct.

Ms. Mayr suggested that the Retirement Office split the "Buy In/Buy Back" line on the activities report into two separate lines because new buy in requests are no longer allowed. Mr. Schroeder agreed and noted that he will separate the "Buy In/Buy Back" line in all future reports.

(c) Waivers

Mr. Schroeder reported that Jason Gates, Risk Manager, had signed and presented four waivers to the Retirement Office.

**The Board unanimously agreed to accept the waivers presented. Motion by Mr. Cohen, seconded by Mr. Parish.**

(d) ERS Staffing Update

Mr. Schroeder discussed the remaining positions the Retirement Office needs to fill. He stated that the three administrative specialist/pension counselor positions will be posted in June. He noted that the clerical assistant position has been posted and that he hopes the position will be filled by July. Mr. Arena reported that the ERS Coordinator position was filled by Annette Olson. He indicated that an ad was placed in the *Milwaukee Journal Sentinel* and other publications for a permanent ERS manager, which is temporarily being filled by Mr. Schroeder. He also noted that a pension information system analyst is being added to the ERS budget for 2009.

Ms. Mayr asked whether Ms. Olson's hiring as ERS Coordinator was a promotion and whether her hiring caused a vacancy. Mr. Arena replied that Ms. Olson's hiring caused a vacancy on the health and welfare side of the Department of Administrative Services.

6. Investments

(a) Mercer Report

Mr. Dennison reviewed the First Quarter 2008 Performance Evaluation Summary. He described concerns about the economy, specifically regarding the overall economic system and bond trading and pricing. He noted that the Federal Reserve intervened with Bear Stearns to protect the economic system. He opined that the Federal Reserve has done a good job handling the threats to the economic system and that the system is in better shape now. He commented that there is now a sense among investors that the banking system is safer and that the subprime mortgages seem to have been identified.

Mr. Dennison reported that the foreign stock markets are down like the U.S. stock markets, but there appears to be a rebound in the markets. He stated that certain parts of the country may escape severe recession. In response to a question from Dr. Peck, Mr. Dennison replied that the increase in demand for consumables has impacted the price of oil. He explained that the world's supply of oil is being depleted and he described how alternative sources of energy could become cost-efficient. He reviewed the nation's GDP and pointed out that the economy's growth is being financed with leverage. He indicated that inflation is creeping up, which is destructive to paper assets. He discussed the first quarter performance of the equity, fixed income and foreign markets. He stated that the upward sloping March 2008 yield curve is generally a positive sign. He pointed out that the Chinese stock market lost 50% of its value in a six-month period.

Mr. Weber commented that Senator Lieberman stated that the Senate is aware of speculation in commodities, which is in part fueled by investments by pension funds. Mr. Weber noted that Senator Lieberman indicated that Congress would look at placing restrictions on pension fund investments in commodities.

Mr. Dennison stated that the ratio of retirees to workers is dropping and that the nation's demographics are turning negative. He discussed the long-term implications of these trends, noting that the U.S. does not have the worst demographic conditions in the world. However, he opined that these conditions will reduce the number of opportunities for investments in the future. Mr. Dennison reviewed the ongoing debate about whether to increase the government strategic oil reserves or to draw down or cease building the strategic oil reserves.

Mr. Mawicke raised the issue of how a potential change in tax rates would affect investments. Mr. Dennison stated that an increase in capital gains taxes would not have a desirable effect on the markets.

Ms. Finney-Cooke reviewed ERS's current asset allocation against its investment policy guidelines. She indicated that ERS is within its investment policy bands and noted that ERS's asset allocation may change over time. She discussed ERS's performance for the first quarter of 2008, noting that ERS outperformed 70% of other similarly-sized funds during that period. She attributed this performance to the conservative position of the portfolio. She pointed out that ERS's conservative portfolio had performed better during downturns on a relative basis than other portfolios.

Ms. Finney-Cooke stated that Boston Partners performed poorly in the first quarter of 2008, ranking in the bottom 10% of its comparison group. She pointed out that ERS is paying Boston Partners an active management fee, even though it is more difficult to outperform in the large cap sector of the market. She indicated that Boston Partners has been occupying the ERS large cap value equity manager space since 1995 and that Boston Partners trails its index after 13 years.

Ms. Finney-Cooke commented that EARNEST Partners ("EARNEST") has done exceptionally well in the first quarter. She stated that EARNEST serves as a prime example of a reason to retain an investment manager for a full market cycle even when it is underperforming. She reminded the Board that EARNEST was down in 2007; had the Pension Board terminated EARNEST, ERS would not have experienced its recent outperformance.

Ms. Finney-Cooke stated that Reinhart Partners has done well and that it might be a good idea to move more Funds to Reinhart Partners. She indicated that Mercer is continuing to monitor Baring Asset Management after the loss of portfolio manager Chris Lees, which Baring discussed during its April Pension Board meeting presentation. Ms. Finney-Cooke noted that Mercer downgraded Baring from an A- to a B+ and will watch Baring closely for the next two quarters.

Ms. Finney-Cooke reported that the fixed income managers performed in line with expectations. She stated that the ERS portfolio gained back some of its first quarter losses in April. Ms. Mayr asked whether ERS could handle an additional \$300 million if the County proceeds with pension obligation bonds. Ms. Finney-Cooke responded that ERS could handle the additional \$300 million and that the possible issuance of pension obligation bonds is being reviewed as part of the asset liability study. Mr. Dennison stated that the investments would be structured with the required interest rate of the County in mind.

Ms. Finney-Cooke presented Mercer's Flash Report for April 2008. She stated that ERS had a market value of just under \$1.58 billion at the end of April and that ERS's market value increased by 2.9% during April, which trailed the reference index by 20 basis points.

Ms. Finney-Cooke reported that the large cap domestic equity market gained 5.1% during April, while the small cap equity market advanced 4.2%. She noted that growth outpaced value in the large and small cap spaces. She reviewed the performance of the international equity market, noting that the MSCI EAFE Index of developed markets gained 5.6%. She pointed out that emerging markets rose 8.1% in April. She stated that the investment grade fixed income market fell 0.2% during April and the high yield issues significantly outperformed the market, gaining 4.2%.

Ms. Finney-Cooke reported that ING transitioned from a domestic to a global REIT in March and therefore its benchmark changed to the FTSE/ERPA NAREIT Global Index.

Mr. Dennison and Ms. Finney-Cooke were excused from the meeting.

(b) Investment Manager Report – Artisan Partners Limited Partnership

Floyd Dukes distributed a report on Artisan Partners Limited Partnership's ("Artisan") management of ERS's mid cap growth equity strategy and presented it to the Pension Board on behalf of Artisan Partners. Mr. Dukes stated that Artisan has served as ERS's mid cap growth equity manager for eight years. He thanked the Pension Board for visiting Artisan's Atlanta office during ERS's mid cap value equity manager search.

Mr. Dukes reviewed Artisan's investment policy, which is to compound assets by exposing the client's portfolio to growth while avoiding permanent capital losses. He stated that Artisan seeks consistency through security selection, capital allocation and broad diversification. He discussed Artisan's capital allocation process, which involves taking smaller positions in early profit cycle investments known as the "garden position." He noted that "crop position" is when Artisan takes full positions in companies whose profit cycles are being fully realized, up to a maximum of 5% of the portfolio. He discussed how Artisan starts reducing positions in the "harvest position," which occurs when companies are approaching the completion of their profit cycle. Dr. Peck asked how Artisan chooses to move to the crop position from the garden position. Mr. Dukes responded that the choice to switch positions is based on the fundamentals and metrics of the company and the industry.

Mr. Dukes reviewed the ERS portfolio's performance over several time periods. He noted that the ERS portfolio outperformed the Russell Midcap Growth Index for the year ended April 30, 2008. He indicated that January 2008 was a very challenging month for growth managers. He opined that it is not time to abandon to high quality growth. He commented that investor frustration has fueled the price increases in commodities.

The Pension Board excused Mr. Dukes from the meeting.

(c) Investment Committee Report

Dr. Peck reported that the May 5, 2008 Investment Committee meeting was canceled.

7. Vitech Project Report

Mr. Pillai presented the ERS V3 status report. He reviewed the significant accomplishments achieved in April, which included completing the ERS team training plan and the pension quality assurance process. Mr. Pillai discussed the key challenges to the timely completion of the project, which included a possible delay caused by the dependency between the pension and life and health modules. Following up on a concern she raised at the April Pension Board meeting, Ms. Mayr expressed her concern over the possible delay caused by the dependencies. In response, Mr. Pillai stated that there are challenges, but he still anticipates a January 2009 implementation date. In response to a question from Ms. Mayr, Mr. Pillai stated that the Ceridian interface will not go live until June or July of this year and that testing will begin this August or September. He indicated that the project team is using current interface data to test the V3 System.

In response to a question from Ms. Bedford, Mr. Arena stated that the status of the investment custodian RFP should not have a direct bearing on the V3 project because the custodian does not have a direct feed to the system. Mr. Pillai stated that project testing began in April and will continue through November. He discussed the user acceptance testing process. He indicated that the stated implementation date is January 2009, but that he hopes the project will go live in December 2008. He stated that the team is in the process of creating a contingency plan if they cannot get live by the anticipated implementation date.

Mr. Pillai reviewed the Vitech costs handout. He stated that the team dramatically reduced the number of images to be scanned, which had caused delays when the project started. In response to Mr. Felber's question regarding why the project is over budget when the contract is for a fixed fee, Mr. Pillai responded that Vitech's assumptions in the fixed bid were not satisfied. In response to a follow-up question, Mr. Pillai stated that Vitech took the position that the County did not fulfill its portion of the assumptions. Mr. Arena stated that delays were caused by misunderstandings of the amount of time

needed to complete the project and the inability of the previous project manager to handle the demands of the project.

Mr. Felber inquired whether more money will be needed to complete the project. Mr. Pillai replied that the goal is to use project savings and apply those funds elsewhere. Mr. Pillai stated there may be additional costs for time delays, but noted that these costs are typical. He reviewed the breakdown of the projected \$9.9 million cost, including the Vitech costs, the non-Vitech costs and the costs of the life and health portion of the project, which are paid by the County. Mr. Felber asked whether the \$9.9 million cost figure will be the final cost figure, considering the fixed contract was for \$6.7 million. Mr. Pillai responded that \$9.9 million is the anticipated cost figure until the go live date, but he acknowledged that there might be additional, unanticipated changes made after the go live date. In response to a question from Mr. Felber, Mr. Pillai explained that the Vitech costs are over budget by \$877,000, which is within the normal range of cost overruns. He indicated that the other costs are coming from the addition of the project team.

In response to a question from Ms. Mayr, Mr. Pillai stated that the unbudgeted costs have been allocated into the current cost figures. Mr. Grady pointed out that the \$9.9 million figure includes life and health project costs of \$500,000, which are the County's obligation. He also noted that the Vitech costs are spread over six years between 2006-2011. Mr. Felber commented that there could be higher costs over a six-year period. Mr. Grady stated that the costs are front-loaded, and the annual costs will decrease in the future.

In response to a question on security from Mr. Metz, Mr. Pillai explained that there are multiple levels of security over the database and access to the data. Mr. Arena noted that the Vitech building is also physically secure. Mr. Pillai stated that he will provide more detail on the security of the new system at the next Pension Board meeting. Mr. Pillai discussed the risks associated with the Vitech project, the likelihood of them occurring and the action plans in place to mitigate the risk.

In response to a question from Mr. Felber, Mr. Pillai stated that the hosting cost was included in the fixed price fee proposal. Mr. Arena indicated that there was no project manager for the first six months of the project. He commented that the County is fortunate to have Mr. Pillai as the project manager and that a good project manager brings value to a project.

#### 8. Vitech Implementation Oversight Committee Report.

Mr. Parish reported on the latest meeting of the Vitech Implementation Oversight Committee. He expressed that Vitech and Milwaukee County have the same common



goal, which is to keep testing on track to ensure the anticipated go live date. He stated that he appreciates Mr. Pillai's reports. In response to Ms. Mayr's question, Mr. Parish stated that Vitech Implementation Oversight Committee meetings are normally held on the Tuesday the week before the monthly Pension Board meetings and that Mr. Pillai keeps the minutes of the meetings.

9. Audit Committee Report

Mr. Parish reported that the May 5, 2008 Audit Committee meeting was canceled. He stated that the Investment Custodian RFP Evaluation Panel interviewed all four respondents to the RFP. He indicated that the next Evaluation Panel meeting is scheduled for June 4.

10. Employee Election – Rule 1020 Possible Amendments

The Pension Board reviewed and discussed the possible changes to Rule 1020.

**The Pension Board unanimously agreed to adopt the amended Rule 1020 attached to these minutes as Exhibit A. Motion by Mr. Cohen, seconded by Mr. Felber.**

11. Disability Pension Applications

Mr. Weber moved that the Pension Board adjourn into closed session for the purpose of receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation and for considering the financial, medical, social or personal histories or disciplinary data of specific persons which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data.

**The Pension Board unanimously agreed to enter into closed session to discuss Agenda Item 11. Motion by Mr. Cohen, seconded by Mr. Felber.**

(a) Michael Elm

**Upon returning to open session, the Pension Board voted 7-1 by roll call vote with Mr. Felber dissenting to lay his application over to a future meeting, in order to allow him to seek treatment in a work hardening/rehabilitation program, and then be reevaluated by the Medical Board, after which the Pension Board would render a decision on his application. Motion by Mr. Cohen, seconded by Ms. Bedford.**

**At the request of Mr. Felber, the Pension Board unanimously agreed to place Mr. Elm's disability application on the August 2008 agenda after completion of his rehabilitation and reevaluation by the Medical Board. Motion by Mr. Felber, seconded by Mr. Mawicke**

(b) Linda Ramczyk

**The Pension Board unanimously approved Ms. Ramczyk's ordinary disability pension application and denied her accidental disability pension application, based upon the report of the Medical Board. Motion by Mr. Cohen, seconded by Mr. Parish.**

The Pension Board informed Ms. Ramczyk that she has the right to appeal the denial of her accidental disability application.

12. Pending Litigation

Mr. Weber moved that the Pension Board adjourn into closed session for the purpose of receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation.

**The Pension Board voted 7-1 by roll call vote, with Ms. Mayr dissenting, to enter closed session to discuss Agenda Items 12, 13 and 14. Motion by Mr. Cohen, seconded by Mr. Felber.**

The Board discussed the following pending litigation in closed session:

Milwaukee County, et al. v. Mercer Human Resource Consulting.

13. Report on Special Investigation

The Board discussed the report on special investigation in closed session.

14. Report on Compliance Review

The Board discussed the report on compliance review in closed session.

15. Adjournment

The meeting adjourned at 12:55 p.m.

Submitted by Steven D. Huff,  
Secretary of the Pension Board

## EXHIBIT A

### AMENDMENT TO THE RULES OF THE PENSION BOARD OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE COUNTY OF MILWAUKEE

SECTION 1. Pursuant to section 201.24(8.6) of the General Ordinances of Milwaukee County, the Pension Board of the Employees' Retirement System of the County of Milwaukee amends Rule 1020 in its entirety to read as follows:

#### 1020. Election of Employee Members of Board.

The following procedures shall apply when conducting the election of the employee members of the Pension Board. The Pension Board shall have the discretion to interpret and amend these procedures in any manner that is consistent with Ordinance section 201.24(8.2).

(1) *Candidate Qualification.* To be a candidate for the employee member of the Pension Board, an individual must be an employee of the County of Milwaukee who is currently a member of ERS.

(2) *Election Process Timeline.* The regular term for an elected employee member shall begin as of March 1 of an applicable year and last for three years. Special election timelines and different term effective dates shall apply in the event of a vacancy in this position as provided in section (9) of this Rule. In years during which an election of an employee member occurs, the following timeline shall apply, provided that, if the date of any deadline falls on a weekend or holiday, the deadline shall be extended until 5 p.m. of the next business day.

(a) *Notice of Election and Ability to Seek Nomination.* The Retirement Office shall send a Notice of Election and Ability to Seek Nomination to employees in the first week of December for a regular election or when first feasible to do so for a special election. In the event a regular election and special election are being held concurrently, the Notice described in this section shall make clear that an employee member nominee may only declare candidacy for one of the elections.

(b) *Nomination Deadline.* Complete nomination papers must be received in the Retirement Office by 5 p.m. on the first day of the month following the month when the Notice in section 2(a) was distributed.

(c) *Notice of Candidates for Primary Election and Date of Primary Election.* The combined 75-word resumes and statements of candidates shall be communicated to employees by the last day of the month preceding the election.

(d) *Primary Election Date.* A primary election shall be held by February 15 for a regular election or the 15th day of the month following the month described in section 2(b) for a special election. If only two candidates file valid nomination papers, this primary election shall be the final election.

(e) *Notice of Candidates for Final Election and Date of Final Election.* The Retirement Office shall inform the candidates of the results of the primary election and post the results of the primary election, if any, as soon as practicable following tabulation of the votes.

(f) *Final Election.* If necessary, the final election shall be held before the last day of February for a regular election or the last day of the month described in section 2(d) for a regular election. Notice of the results of the final election will be given to the candidates and posted in various departments as soon as practicable following tabulation of the votes.

(g) *Commencement of Service.* Service begins as of March 1 for a member elected pursuant to a regular election. Service begins as of the first day of the month following the final election for a member elected pursuant to a special election, with the expectation that the member would be available to attend the regularly scheduled Pension Board meeting for that month.

(3) *Nomination of Candidates.* To begin the nomination process, an eligible individual must register as a candidate, prove eligibility for candidacy to the Retirement Office and request nomination papers from the Retirement Office.

(a) *Nomination Requirements.* To earn a nomination as a candidate for an employee member position on the Pension Board and be placed on the ballot for the election, an eligible individual must obtain 100 signatures from persons eligible to be candidates for employee member of the Pension Board. An eligible individual's representative(s) may circulate the nomination papers and collect signatures on behalf of the eligible individual. The potential candidate or candidate's representative(s) must obtain the requisite number of signatures from other employees eligible to run for employee Pension Board membership. Upon receiving the required number of signatures for nomination, the candidate or representative(s) shall sign and date the nomination papers, have them notarized and return the nomination papers to the Retirement Office. The individual may also present, along with the nomination papers, a resume and statement, limited to 75 words, detailing the candidate's qualifications for the position at that time.

(b) *Nomination Papers.* The Pension Board shall approve the form of the nomination papers and any changes to the nomination papers. These papers shall require the signatory to include, at a minimum, his or her employment location and years of County service to date. In the event that a regular election and a special election are taking place concurrently, the candidate must fill out specific nomination papers for either the regular election or the special election but not both. If a candidate is nominated for both the regular election and the special election, the candidate will become ineligible for both elections.

(4) *Campaigning.* In the time period between the nomination deadline and either of the applicable election dates, a candidate may campaign for the position of Pension Board member. Mailing labels will not be available for candidates to send mailings to eligible voters. The communication of candidates' resumes and statements to eligible voters shall be made according to the timeline described in section 2(c), as applicable. Candidates must comply with any applicable campaign laws. Candidates should seek counsel regarding these requirements prior to beginning their campaigns.

(5) *Election Format.* If only two candidates file approved nomination papers for an election, no primary election will be held. Instead, a final election will be held according to the timeline described in section 2(d) above and will determine the employee member representative on the Pension Board. If more than two candidates file approved nomination papers for an election, a primary election will be held according to the timeline described in sections 2(d) and (f) above. Following the primary election, the two candidates receiving the highest number of votes in the primary election shall have their names placed on the ballot for the final election. However, if one candidate receives more than 55% of the votes cast in the primary election, there will be no final election. If necessary, the final election shall be held according to the timeline described in sections 2(e) and (f) above. Positions on the ballot for the primary election and the final election will be determined by random drawing. The drawing will take place in the Retirement Office before one or more witnesses. Attendance of the candidates at the ballot position drawing is optional.

(6) *Voting.*

(a) *Eligibility to Vote.* ERS and OBRA members who are on the Milwaukee County payroll as of the second pay period prior to the election are eligible to vote.

(b) *Voting Procedure.* Voting shall take place in person during regular working hours at several locations throughout the County. The Pension Board reserves the right to grant special accommodations for those with extenuating circumstances.

(c) *Validity of Votes.* An eligible individual may only cast one vote per election. If an individual attempts to cast more than one vote, all of the individual's votes will be declared invalid.

(7) *Election Results.*

(a) *Determination of Outcome.* In the case of a primary election, the two candidates receiving the highest number of votes will progress to the final election. However, if one of the candidates receives more than 55% of the votes cast in a primary election, that candidate shall be declared one of the employee members of the Pension Board. If no candidate receives more than 55% of the votes cast in the primary election, the candidate receiving the highest number of votes in the final election shall be the winner of that election. In the result of a tie in either the primary or general election, the Retirement Office shall break the tie in accordance with Wisconsin Statutes section 5.01(4).

(b) *Certification and Announcement of Results.* As soon as possible after completion of both the primary election and the final election, the Retirement Office shall certify the election results to the Pension Board Chairperson. The Retirement Office will then announce to the public the election results, including the number of votes received by each candidate.

(8) *Administration of Election.* The Retirement Office shall oversee and administer the election process. As a result, the Retirement Office shall take the following actions:

(a) Compliance with the applicable election laws as determined by Corporation Counsel.

(b) Compliance with applicable election policies of the Pension Board.

(c) Acceptance and confirmation of validity of nomination papers.

(d) Tabulation of votes. In the result of a tie, the Retirement Office shall break the tie in accordance with Wisconsin Statutes section 5.01(4).

(e) Announcement of election results.

(f) Handling complaints or disputes with the election process.

The Retirement Office shall take all other actions necessary and within its power to administer this election. The Retirement Office may assign responsibility for various actions to various other parties.

(9) *Special Election.* In the event a vacancy exists in an employee member position, the Pension Board shall determine the need for and timing of a special election. A special election may be necessary to elect an employee member in the event of the resignation, removal or death of a sitting employee member. If an employee member terminates employment with Milwaukee County, that member shall not remain an employee member of the Pension Board. If a special election becomes necessary, the Retirement Office shall follow similar election procedures to conduct the special election as are used to elect the employee member during the regular election. The Pension Board shall establish alternative timelines appropriate for conducting the special election in a timely manner. These timelines shall be based upon the timeline used for a regular election. If the date of any deadline falls on a weekend or holiday, the deadline shall be extended until 5 p.m. of the next business day.

SECTION 2. Section 1 shall be effective May 21, 2008.